Guidelines for merger of Private Banks

149. SHRI B.J. PANDA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI has laid down certain guidelines for private Banks' merger and amalgamation; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Reserve Bank of India has issued guidelines on merger and amalgamation between private sector Banks and with NBFCs on 11th May, 2005. The guidelines are available on the website of RBI i.e. www.rbi.orq.in/notification.

Increase in Bank Credit to Agricultural Sector

150. SHRI DATTA MEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether Government have announced to double the Bank credit to agricultural sector in the next three years;

(b) if so, the details thereof;

(c) whether it is a fact that the financial institutions, including commercial, rural and cooperative Banks have failed to reach even half of the farming families in India, over the years, if so, details thereof;

(d) whether still a large number of farmers continue to depend on money-lenders, commission agents and other sources to meet their credit needs; and

(e) what measures Government propose to take to help farmers in meeting their credit needs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. The targeted increase of 30% in credit flow to agricultural in 2004-05 has been exceeded.